Department of Finance

News Release

Immediate release

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Minister of Finance Issues Statement on Restructuring Proposal for Asset-Backed Commercial Paper

The Honourable Jim Flaherty, Minister of Finance, today issued the following statement:

"I am pleased the Pan-Canadian Investors Committee and other interested parties have finalized a proposal to restructure third-party asset-backed commercial paper.

Since the standstill began last August, the Government of Canada has encouraged a market-led restructuring as a better course of action for investors, other participants and capital markets than a fire sale of assets.

The global conditions that led to the standstill continue to pose risks and challenges in financial markets.

The development of this restructuring proposal has been a complex, difficult and lengthy process, and I commend the participants, particularly the Investors Committee chairman, Purdy Crawford, for their commitment and perseverance amid uncertain times.

The court has now approved a process for investors to vote on the restructuring proposal based on detailed information provided by the Investors Committee and its advisors. I encourage all investors to consider it seriously and to participate in the voting process.

The Government of Canada will continue to monitor developments closely."

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